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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-82487; File No. SR-NYSEArca-2017-138]

### **Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to List and Trade the Shares of the Goldman Sachs Access Emerging Markets Local Currency Bond ETF under Commentary .02 to NYSE Arca Rule 5.2-E(j)(3)**

January 11, 2018.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (“Act”)<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that on December 28, 2017, NYSE Arca, Inc. (“Exchange” or “NYSE Arca”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### **I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change**

The Exchange proposes to list and trade the shares of the Goldman Sachs Access Emerging Markets Local Currency Bond ETF (the “Fund”), a series of Goldman Sachs ETF Trust (the “Trust”), under Commentary .02 to NYSE Arca Rule 5.2-E(j)(3) (“Investment Company Units”). The proposed rule change is available on the Exchange’s website at [www.nyse.com](http://www.nyse.com), at the principal office of the Exchange, and at the Commission’s Public

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to list and trade shares ("Shares") of the Goldman Sachs Access Emerging Markets Local Currency Bond ETF ("Fund") under Commentary .02 to NYSE Arca Rule 5.2-E(j)(3), which governs the listing and trading of Investment Company Units ("ICUs") on the Exchange.<sup>4</sup> The Fund will be an index-based exchange traded fund ("ETF"). The Shares will be offered by the Goldman Sachs ETF Trust (the "Trust"), which is registered with the Commission as an investment company and has filed a registration statement on Form N-1A (the "Registration Statement") with the Commission on behalf of the Fund.<sup>5</sup>

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<sup>4</sup> NYSE Arca Rule 5.2-E(j)(3)(A) provides that an Investment Company Unit is a security that represents an interest in a registered investment company that holds securities comprising, or otherwise based on or representing an interest in, an index or portfolio of securities (or holds securities in another registered investment company that holds securities comprising, or otherwise based on or representing an interest in, an index or portfolio of securities).

<sup>5</sup> See the Trust's post-effective amendment to the Trust's registration statement on Form N-1A, dated November 9, 2017 (File Nos. 333-200933 and 811-23013) ("Registration Statement"). The descriptions of the Fund and the Shares contained herein are based, in part, on information in the Registration Statement. In addition, the Commission has issued an order granting certain exemptive relief to the Trust under the Investment

The investment adviser to the Fund will be Goldman Sachs Asset Management, L.P. (“Adviser”), a wholly-owned subsidiary of The Goldman Sachs Group, Inc.<sup>6</sup> ALPS Distributors, Inc. will serve as the distributor (the “Distributor”) of Fund Shares on an agency basis. The Bank of New York Mellon (the “Administrator”) will be the administrator, custodian and transfer agent for the Fund.

#### Goldman Sachs Access Emerging Markets Local Currency Bond ETF

#### Principal Investments

According to the Registration Statement, the Fund will seek to provide investment results that closely correspond, before fees and expenses, to the performance of the Citi Goldman Sachs Emerging Markets Local Currency Government Bond Index (the “Index”). Under normal market conditions,<sup>7</sup> the Fund will seek to achieve its investment objective by investing at least 80% of its assets (exclusive of collateral held from securities lending) in securities included in the Index.

#### Other Investments

While, under normal market conditions, the Fund will seek to achieve its investment objective by investing at least 80% of its assets (exclusive of collateral held from securities lending) in securities included in the Index, the Fund may invest up to 20% of its net assets in the securities and financial instruments not included in the Index, as described below.

The Fund may invest in commercial paper and other short-term obligations issued or

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Company Act of 1940. See Investment Company Act Release No. 31465 (February 23, 2015) (File No. 812-14361).

<sup>6</sup> The Adviser is not registered as a broker-dealer but is affiliated with a broker-dealer and has implemented and will maintain a “fire wall” with respect to such broker-dealer affiliate regarding access to information concerning the composition of and/or changes to the Fund’s portfolio.

<sup>7</sup> The term “normal market conditions” for these purposes will have the same meaning as the term defined in NYSE Arca Rule 8.600-E(c)(5).

guaranteed by U.S. corporations, non-U.S. corporations or other entities.

The Fund may hold foreign currencies.

The Fund may invest in investment company securities, including exchange-traded funds (“ETFs”)<sup>8</sup> and money market funds.

The Fund may invest in equity and fixed income securities of foreign issuers, including securities quoted or denominated in a currency other than U.S. dollars.

The Fund may invest in Global Depositary Notes, credit linked notes and loan participation notes.

The Fund may purchase and sell futures contracts and may also purchase and write call and put options on futures contracts. The Fund may purchase and sell futures contracts based on US and foreign securities indices, foreign currencies, interest rates and Eurodollars.<sup>9</sup>

The Fund may enter into interest rate, credit, total return, and currency swaps. The Fund also may enter into index swaps.

The Fund may invest in foreign currency forward contracts.

The Fund may enter into repurchase and reverse repurchase agreements.

The Fund may invest in U.S. Government Securities.

The Fund may invest in zero coupon, deferred interest, pay-in-kind and capital appreciation bonds.

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<sup>8</sup> For purposes of this filing, ETFs include Investment Company Units (as described in NYSE Arca Rule 5.2-E (j)(3)); Portfolio Depositary Receipts (as described in NYSE Arca Rule 8.100-E); and Managed Fund Shares (as described in NYSE Arca Rule 8.600-E). The ETFs all will be listed and traded in the U.S. on registered exchanges. The Fund will not invest in inverse or leveraged (e.g., +2x, -2X) index ETFs.

<sup>9</sup> In the aggregate, at least 90% of the weight of the Fund’s holdings invested in futures shall consist of futures for which the Exchange may obtain information via the ISG from other members or affiliates of the ISG or for which the principal market is a market with which the Exchange has a comprehensive surveillance sharing agreement.

The Fund may invest in inflation protected securities of varying maturities issued by the U.S. Treasury and other U.S. and non-U.S. Government agencies and corporations.

The Fund may invest in restricted securities (Rule 144A securities).

Citi Goldman Sachs Emerging Markets Local Currency Government Bond Index

The Index is a rules-based index that is designed to measure the performance of bonds issued by emerging market governments and denominated in the local currency of the issuer that meet certain liquidity and fundamental screening criteria. As of July 31, 2017, there were 189 issues in the Index.

The Index is a custom index that is owned and calculated by FTSE Fixed Income LLC (“FTSE” or the “Index Provider”), and is based on the Citi Emerging Markets Government Bond Index (the “Reference Index”) using concepts developed with Goldman Sachs Asset Management.<sup>10</sup>

The Index Provider constructs the Index in accordance with a rules-based methodology that involves two steps:

*Step 1*

In the first step, the Index Provider defines the universe of potential index components (“Universe”) by applying specified criteria to the constituent securities of the Reference Index. The Reference Index includes sovereign debt issued in local currency that has a minimum of one year to maturity and is rated at least C by S&P or Ca by Moody’s. Issuers need to have a minimum of local currency equivalent of \$10 billion outstanding for three consecutive months to be eligible for inclusion in the Reference Index. Only constituents of the Reference Index that

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<sup>10</sup> The Index Provider is not a broker-dealer and is not affiliated with a broker dealer and has implemented procedures designed to prevent the use and dissemination of material, non-public information regarding the Index.

have a minimum local currency equivalent of approximately \$1 billion outstanding are included in the Universe. Provided there are 10 or more countries represented in the Universe, the weight of each country within the Universe is capped at 10%.

### Step 2

In the second step, the Index Provider applies a fundamental screen to the Universe. Issuers are measured by two fundamental factors, money supply growth and current account to gross domestic product (“GDP”). The Index Provider ranks each issuer based on the two fundamental factors, equally weighted. The Index is constructed by including the highest ranking eligible securities, screening out lowest ranking eligible securities.

The Index is rebalanced (i) monthly on the last business day of each month, to account for changes in maturities or ratings migration, and (ii) quarterly, to account for updates to the constituent securities on the basis of the fundamental factors (as described above).

As of July 31, 2017, issuers from the following emerging market countries were included in the Index: Brazil, Chile, Colombia, Hungary, Indonesia, Malaysia, Mexico, Peru, Poland, Russia, South Africa, and Thailand. The countries included in the Index may change over time. The percentage of the portfolio exposed to any country or geographic region will vary from time to time as the weightings of the securities within the Index change, and the Fund may not be invested in each country or geographic region at all times. All such issuers are a government of a foreign country or a political subdivision of a foreign country.

The Exchange is submitting this proposed rule change because the Index does not meet all of the “generic” listing requirements of Commentary .02 to NYSE Arca Rule 5.2-E(j)(3) applicable to the listing of Units. The Index meets all such requirements except for those set forth in Commentary .02(a)(5) to NYSE Arca Rule 5.2-E(j)(3) that an underlying index or

portfolio (excluding one consisting entirely of exempted securities) must include a minimum of 13 non-affiliated issuers. Specifically, as of July 31, 2017, the Index included components from 12 non-affiliated issuers, each of which is a foreign government or political subdivision of a foreign country.<sup>11</sup>

The Exchange represents that (1) except for the requirement under Commentary .02(a)(5) to NYSE Arca Rule 5.2-E(j)(3) that an underlying index or portfolio (excluding one consisting entirely of exempted securities) must include a minimum of 13 non-affiliated issuers, the Shares of the Fund would satisfy all of the generic listing standards under NYSE Arca Rule 5.2-E(j)(3); (2) the continued listing standards under NYSE Arca Rules 5.2-E(j)(3) and 5.5-E(g)(2) applicable to ICUs shall apply to the Shares; and (3) the Trust is required to comply with Rule 10A-3<sup>12</sup> under the Act for the initial and continued listing of the Shares.

The Exchange represents that the Fund will comply with the initial and continued listing requirements of NYSE Arca Rules 5.2-E(j)(3) and 5.5-E(g)(2) applicable to ICUs on a continued basis. In addition, the Exchange represents that the Shares will comply with all other requirements applicable to ICUs including, but not limited to, requirements relating to the dissemination of key information such as the Index value and Intraday Indicative Value, rules governing the trading of equity securities, initial minimum number of shares required to be outstanding at commencement of trading, hours of trading in the Exchange's Early, Core and Late Trading Sessions, trading halts, surveillance,<sup>13</sup> and the Information Bulletin to ETP Holders,

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<sup>11</sup> The 12 non-affiliated issuers are the following; Republic of Colombia; Kingdom of Thailand; Government of Malaysia; Republic of Hungary; Indonesia Republic; Mexico (United Mexican States); Republic of Peru; Republic of Poland; Republic of South Africa; Brazil (Federative Republic and Secretaria Tesouro Nacional); Chile (Republic of Chile and Banco Central de Chile); and Russian Federation.

<sup>12</sup> 17 CFR 240.10A-3.

<sup>13</sup> The Exchange or the Financial Industry Regulatory Authority ("FINRA"), on behalf of

as set forth in prior Commission orders approving the generic listing rules applicable to the listing and trading of ICUs.<sup>14</sup>

The Exchange believes it is appropriate to permit the listing and trading of the Shares notwithstanding that the requirement of Commentary .02(a)(5) to NYSE Arca Rule 5.2-E(j)(3) is not met because the non-affiliated issuers represented by the Index components each is and will be a foreign sovereign government or government entity with a substantial amount of debt issuances outstanding, and, therefore, will make manipulation of the Index less feasible.<sup>15</sup> In

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the Exchange, or both, will communicate as needed regarding trading in the Shares and certain futures with other markets and other entities that are members of the Intermarket Surveillance Group (“ISG”), and the Exchange or FINRA, on behalf of the Exchange, or both, may obtain trading information regarding trading in the Shares and certain futures from such markets and other entities. In addition, the Exchange may obtain information regarding trading in the Shares and certain futures from markets and other entities that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement. For a list of current members of ISG, see [www.isgportal.org](http://www.isgportal.org). In addition, the Exchange is able to access from FINRA, as needed, trade information for certain fixed income securities held by the Fund reported to FINRA’s Trade Reporting and Compliance Engine (“TRACE”).

<sup>14</sup> See Securities Exchange Act Release Nos. 55621 (April 12, 2007), 72 FR 19571 (April 18, 2007) (SR-NYSEArca-2006-86) (order approving generic listing standards for ICUs based on international or global indexes); 44551 (July 12, 2001), 66 FR 37716 (July 19, 2001) (SR-PCX-2001-14) (order approving generic listing standards for ICUs and Portfolio Depositary Receipts); 41983 (October 6, 1999), 64 FR 56008 (October 15, 1999) (SR-PCX-98-29) (order approving rules for listing and trading of ICUs); 55783 (May 17, 2007), 72 FR 29194 (May 24, 2007) (SR-NYSEArca-2007-36) (notice of filing of proposed rule change and Amendment No. 1 thereto to establish generic listing standards for exchange-traded funds based on fixed income indexes and order granting accelerated approval of proposed rule change as amended); 55437 (March 9, 2007), 72 FR 12233 (March 15, 2007) (SR-Amex-2006-118) (approving generic listing standards for series of ETFs based on Fixed Income and Combination Indexes).

<sup>15</sup> The Exchange notes, for informational purposes, that, as of November 30, 2017, the largest bond in the Index had \$32.5 billion outstanding and the smallest bond in the Index had \$762 million outstanding. The average size of Index component bonds was \$4.8 billion and the total value of bonds in the Index was \$998.7 billion. As of July 31, 2017, the twelve sovereign entities which have debt issues included in the Index had approximately \$3.1 trillion in debt outstanding in the aggregate, with each such sovereign entity having approximately the following debt amount outstanding: Brazil (\$1.1 trillion), Chile (\$83.7 billion), Colombia (\$88.6 billion), Hungary (\$91.7 billion), Indonesia



addition, the Index currently substantially exceeds the requirements of Commentary .02(a)(2) and Commentary .02(a)(4)<sup>16</sup> to NYSE Arca Rule 5.2-E(j)(3).<sup>17</sup>

The Index will at all times include a minimum of ten non-affiliated issuers that are foreign sovereign government or government entities, and a minimum of 75 components, in addition to meeting the other continued listing requirements of Commentary .02 to NYSE Arca Rule 5.2-E (j)(3).

All statements and representations made in this filing regarding (a) the description of the index, portfolio or reference asset, (b) limitations on index or portfolio holdings or reference assets, or (c) the applicability of Exchange listing rules specified in this rule filing will constitute continued listing requirements for listing the Shares of the Fund on the Exchange.

The issuer must notify the Exchange of any failure by the Fund to comply with the continued listing requirements, and, pursuant to its obligations under Section 19(g)(1) of the Act,

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(\$237.6 billion), Malaysia \$168.3 billion), Mexico (\$444.9 billion), Peru (\$39.3 billion), Poland (\$237.4 billion), Russia (\$185.6 billion), South Africa (\$171.9 billion), and Thailand (\$229.7 billion).

<sup>16</sup> Commentary .02(a)(2) to NYSE Arca Rule 5.2-E(j)(3) provides that components that in aggregate account for at least 75% of the Fixed Income Securities portion of the weight of the index or portfolio each shall have a minimum original principal amount outstanding of \$100 million or more. Commentary .02(a)(4) to NYSE Arca Rule 5.2-E(j)(3) provides that no component fixed-income security (excluding Treasury Securities and GSE Securities) shall represent more than 30% of the Fixed Income Securities portion of the weight of the index or portfolio and the top 5 fixed-income securities (excluding Treasury Securities and GSE Securities) shall not represent more than 65% of the Fixed Income Securities portion of the weight of the index or portfolio.

<sup>17</sup> The Exchange notes, for informational purposes, that, as of July 31, 2017, the Index included 189 components; components that in aggregate accounted for 100% of the weight of the Index each had a minimum original principal amount outstanding of \$100 million or more; no single component represented more than 3.23% of the weight of the Index; and the top 5 Index components represented 11.49% of the weight of the Index. The Index Provider has stated that the Index methodology is implemented in accordance with International Organization of Securities Commissions (“IOSCO”) “Principles for Financial Benchmarks”. See <https://www.yieldbook.com/m/indices/announcements.shtml?view=rq>.

the Exchange will monitor for compliance with the continued listing requirements. If the Fund is not in compliance with the applicable listing requirements, the Exchange will commence delisting procedures under NYSE Arca Rule 5.5-E(m).

## 2. Statutory Basis

The Exchange believes that the proposal is consistent with Section 6(b) of the Act<sup>18</sup> in general and Section 6(b)(5) of the Act<sup>19</sup> in particular in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system.

The Exchange believes that the proposed rule change is designed to prevent fraudulent and manipulative acts and practices in that the Shares will be listed and traded on the Exchange pursuant to the generic listing criteria in Commentary .02 to NYSE Arca Rule 5.2-E(j)(3), except that the Index does not meet the requirement in Commentary .02(a)(5) to NYSE Arca Rule 5.2-E(j)(3) that an underlying index or portfolio (excluding one consisting entirely of exempted securities) must include a minimum of 13 non-affiliated issuers. The Exchange believes that its surveillance procedures are adequate to properly monitor the trading of the Shares on the Exchange during all trading sessions and to deter and detect violations of Exchange rules and the applicable federal securities laws.

The proposed rule change is designed to promote just and equitable principles of trade and to protect investors and the public interest in that the Index will at all times include a minimum of ten non-affiliated issuers that are foreign sovereign government or government

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<sup>18</sup> 15 U.S.C. 78f.

<sup>19</sup> 15 U.S.C. 78f(b)(5).

entities; as noted above, such sovereign issuers have a substantial amount of debt outstanding.<sup>20</sup> The Index will at all times include at least 75 components. In addition, the Index will meet the other continued listing requirements of Commentary .02 to NYSE Arca Rule 5.2-E (j)(3).<sup>21</sup> The Exchange believes the Index is and will continue to be well-diversified based on the minimum number of components (75) of at least ten sovereign issuers with substantial amounts of debt outstanding, and is therefore not susceptible to manipulation.

In addition, the Exchange will obtain a representation from the issuer of the Shares that the net asset value (“NAV”) per Share will be calculated daily every day the New York Stock Exchange is open, and that the NAV will be made available to all market participants at the same time. In addition, a large amount of publicly available information will be publicly available regarding the Fund and the Shares, thereby promoting market transparency.

Moreover, the Intraday Indicative Value (“IIV”) will be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange’s Core Trading Session (normally, 9:30 a.m. to 4:00 p.m., Eastern Time). Information regarding market price and trading volume of the Shares will be continually available on a real-time basis throughout the day on brokers’ computer screens and other electronic services, and quotations and last sale information will be available via the Consolidated Tape Association (“CTA”) high-speed line. Quotation and last sale information for the Shares will be available via the CTA high-speed line. Price information for the Index components will be available from automated quotation systems, published or other public sources, or online information services such as Bloomberg or Reuters. The Fund’s website, which will be publicly available prior to the public offering of Shares, will include a form of the prospectus for the Fund that may be downloaded. On each business day,

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<sup>20</sup> See note 15, supra.

<sup>21</sup> See note 16, supra.

before commencement of trading in Shares in the Core Trading Session on the Exchange, the Trust will disclose on its website the following information regarding each portfolio holding, as applicable to the type of holding: ticker symbol, CUSIP number or other identifier, if any; a description of the holding (including the type of holding); the identity of the security, index or other asset or instrument underlying the holding, if any; maturity date, if any; coupon rate, if any; effective date, if any; for options, the strike price; market value of the holding; quantity of each security or other asset held; and the percentage weighting of the holding in the Fund's portfolio. In addition, a portfolio composition file, which will include the security names and quantities of securities and other assets required to be delivered in exchange for the Fund's Shares, together with estimates and actual cash components, will be publicly disseminated prior to the opening of the Exchange via the National Securities Clearing Corporation. Moreover, prior to commencement of trading, the Exchange will inform its ETP Holders in an Information Bulletin of the special characteristics and risks associated with trading the Shares. Trading in Shares of the Fund will be halted if the circuit breaker parameters in NYSE Arca Rule 7.12-E have been reached or because of market conditions or for reasons that, in the view of the Exchange, make trading the Shares inadvisable. In addition, as noted above, investors will have ready access to information regarding the Fund's portfolio, the IIV, the Index value, and quotation and last sale information for the Shares.

The proposed rule change is designed to perfect the mechanism of a free and open market and, in general, to protect investors and the public interest in that it will facilitate the listing and trading of an additional type of exchange-traded product that will enhance competition among market participants, to the benefit of investors and the marketplace. As noted above, the Shares will be subject to the existing trading surveillances administered by the Exchange and FINRA on

behalf of the Exchange. The Exchange or FINRA, on behalf of the Exchange, or both, will communicate as needed regarding trading in the Shares and certain futures with other markets and other entities that are members of ISG, and the Exchange, FINRA on behalf of the Exchange, or both, may obtain trading information in the Shares and certain futures from such markets and other entities. In addition, the Exchange may obtain information regarding trading in the Shares and certain futures from markets and other entities that are members of ISG or with which the Exchange has in place a comprehensive surveillance sharing agreement. In addition, as noted above, investors will have ready access to information regarding the Fund's holdings, the IIV, and quotation and last sale information for the Shares.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that the proposed rule change will facilitate the listing and trading of an additional type of exchange-traded fund that principally holds fixed income securities of foreign sovereign governments and government entities and that will enhance competition among market participants, to the benefit of investors and the marketplace.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time

as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>22</sup> and Rule 19b-4(f)(6) thereunder.<sup>23</sup>

A proposed rule change filed pursuant to Rule 19b-4(f)(6) under the Act<sup>24</sup> normally does not become operative for 30 days after the date of its filing. However, Rule 19b-4(f)(6)(iii)<sup>25</sup> permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing.

As discussed above, the Exchange proposes to list and trade the Shares. The Fund will seek to provide investment results that closely correspond, before fees and expenses, to the performance of the Index. The Exchange notes that the Index meets all of the generic listing requirements under Commentary .02 to NYSE Arca Rule 5.2-E(j)(3), except the requirement in Commentary .02(a)(5) that the underlying index or portfolio (excluding one consisting entirely of exempted securities) include a minimum of 13 non-affiliated issuers. Instead, the Index will at all times include a minimum of 10 non-affiliated issuers that are foreign sovereign government or government entities and a minimum of 75 components, in addition to meeting the other listing requirements of Commentary .02 to NYSE Arca Rule 5.2-E(j)(3). Moreover, the Fund will

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<sup>22</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>23</sup> 17 CFR 240.19b-4(f)(6). As required under Rule 19b-4(f)(6)(iii), the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and the text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission.

<sup>24</sup> 17 CFR 240.19b-4(f)(6).

<sup>25</sup> 17 CFR 240.19b-4(f)(6)(iii).

comply with the listing requirements of NYSE Arca Rules 5.2-E(j)(3) and 5.5-E(g)(2) applicable to ICUs on a continued basis, and will comply with all other requirements applicable to ICUs.

The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest. According to the Exchange, waiver of the operative delay would benefit the market and investors by permitting trading of the Shares prior to the 30-day delayed operative date, thereby enhancing market competition. The Commission hereby waives the 30-day operative delay and designates the proposal operative upon filing.<sup>26</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule change should be approved or disapproved.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

##### Electronic comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-NYSEArca-2017-138 on the subject line.

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<sup>26</sup> For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

Paper comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission,  
100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-NYSEArca-2017-138. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that



you wish to make available publicly. All submissions should refer to File Number SR-NYSEArca-2017-138 and should be submitted on or before **[INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>27</sup>

**Eduardo A. Aleman,**

*Assistant*

*Secretary.*

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<sup>27</sup> 17 CFR 200.30-3(a)(12).

